

CITY OF CAMBRIDGE

Community Development Department

IRAM FAROOQAssistant City Manager for Community Development

SANDRA CLARKE Deputy Director Chief of Administration

KHALIL MOGASSABI Deputy Director Chief of Planning

Affordable Housing Trust

October 26, 2023, 4:00 p.m. Ackermann Room, City Hall, 795 Massachusetts Avenue Cambridge, Massachusetts

OR

Webinar Registration - Zoom

To participate in this meeting through the Zoom video meeting platform, please register using this <u>link</u> in advance of the meeting.

AGENDA

- Review of Meeting Minutes
- Update from the Community Development Department
- <u>Print Shop Condominiums</u>: request for up to \$3,000,000 to assist with building envelope repairs
- 35 Cherry Street: Recommendation to designate Just A Start Corporation to develop affordable homeownership housing
- Adjournment

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Members of the public can provide written comments to the Affordable Housing Trust by email sent to ccotter@cambridgema.gov, or by delivery to the CDD office, by 5:00 P.M. the day before the meeting.

CAMBRIDGE AFFORDABLE HOUSING TRUST MEETING MINUTES September 28, 2023 at 4:00 p.m.

Conducted via Zoom and in person (City Hall, Ackerman Room)

Trustees Present via Zoom: Florrie Darwin, Peter Daly, Elaine DeRosa, Elaine Thorne

Trustees Present in Person: Yi-An Huang, Chair; Jim Stockard

Trustees Absent: Bill Tibbs, Susan Schlesinger, Gwen Noyes

Staff Present: Iram Farooq, Assistant City Manager for Community Development; Chris

Cotter, Housing Director; Janet Haines, Housing Planner; Christine Yu, Associate Housing Development Planner; Anna Dolmatch, Senior Manager

for Homeownership

Others Present via Zoom: LaToya Weaver, Nahid Chowdhury

The meeting was called to order at 4:04 p.m. Mr. Cotter explained that this meeting of the Affordable Housing Trust would be held in a hybrid fashion pursuant to applicable requirements, that all votes would be taken by roll call, and that there would be no public comment. He then confirmed via roll call that each participant was audible to each of the other Trust members.

MEETING MINUTES

Upon a motion moved and seconded, by roll call of six in favor and three absent (Mr. Tibbs, Ms. Schlesinger, Ms. Noyes) to approve the minutes for the meeting of August 2, 2023.

PROJECT UPDATE

HomeBridge: The Trust approved a change in funding percentages for applicants at its last meeting. There are currently 10 applicants in this program looking for a home.

Resale Program: There are 16 resale units in process.

JP Federal: CHA is beginning the construction closing process; demolition is underway and full construction will begin in 2024.

Park View Cooperative: Renovations are underway and proceeding well.

Mr. Stockard asked if there are any changes to their budget. Mr. Cotter mentioned that the project remains on budget without significant changes to this point.

Rindge Commons North (Phase 1): Construction is underway and proceeding well. The marketing has begun with occupancy in 2024.

35 Harvey Street: Closing is underway, with construction beginning immediately thereafter and is expected to begin as early as late October.

Walden Square: WinnCompanies held its final AHO community meeting on September 14th and are preparing their new changes to the Planning Board, to be scheduled.

Trustee DeRosa asked if Winn responded to the City about their concerns. Mr. Cotter shared that they did, and that information will be shared in a future meeting.

New Homeownership Lottery: Staff received over 400 applications for 4 homeownership units. There are three additional new homes that will be marketed in the next few months.

49 6th **Street:** POAH is working to finalize the lease with the Archdiocese and to secure final funding needed to begin construction.

Neville Place: Staff is working with Neville to form a working group to review tenant selection.

87-101 Blanchard Road: This is a new AHO project sponsored by the B'nai B'rith. B'nai B'rith is proposing a new building for seniors and will have their first AHO community meeting on Wednesday, October 4th.

OTHER UPDATES

Cherry Street: Staff received one application from JAS and are reviewing it now.

Incentive Zoning Contributions: The City received 3 incentive funds this month, totaling over \$700,000.

Mr. Daly asked if this funding is coming in with the most recent rate, to which Mr. Cotter answered that it is still using the former rate. The contribution rate is set at the time of building permit in most cases.

Community Preservation: The appropriation of CPA funds was approved last week by the City Council. They appropriated \$16.5M to the Affordable Housing Trust, totaling roughly \$41.0M for the Trust in City funds in FY24.

Mr. Stockard asked what the state match is for CPA. Mr. Cotter responded that the exact number will not be known until later this year.

Affordable Housing Overlay (AHO) Changes: The AHO changes are back with the City Council after receiving recommendations from the Ordinance Committee and the Planning Board, with a positive recommendation and negative recommendation, respectively.

Affordable Housing Trust vacancy: Staff is reviewing applications and interviewing potential candidates for an upcoming vacancy on the Trust.

Mr. Stockard asked if there is any update on the Bishop Allen Drive site. Mr. Cotter and Mr. Huang answered that there is no update due to pending ligation.

MOVE TO EXECUTIVE SESSION

Mr. Cotter indicated that the next item for discussion before the Trust pertained to details regarding the potential acquisition of real estate. Due to the sensitive information to be discussed, continuing in open session might have a detrimental effect on the negotiations. At 4:17 PM, Mr. Cotter entertained a motion to go into Executive Session to discuss this matter and indicated that the Trust would adjourn at the conclusion of the Executive Session.

Upon a motion moved, seconded, and approved by roll call of six in favor and three absent (Mr. Tibbs, Ms. Schlesinger, Ms. Noyes), it was:

VOTED: for the meeting to go into Executive Session.

The meeting adjourned at 4:31 p.m.

The next meeting is scheduled for October 26, 2023 at 4:00 p.m.

Meeting Materials:

- Agenda
- Meeting Minutes from the Trust's August 2, 2023 meeting
- Project Update

Cambridge Affordable Housing Trust

October 26, 2023

Status of Active Commitments

	Active Projects	Sponsor	Rental Units	Ownership Units	Status	Total Cost	Trust Commitment	Loan Amount Per Unit	Trust Approval Date
1.	HomeBridge program	CDD	currently approved buyers:	10	90 scattered site units purchased by first time buyers to-date. Trust approved expanded subsidy share in August 2023. One buyer closed in September.	N/A	\$24,200,000	1-br: 50% sale 2-br: 60% sale 3-br: 65% sale	several, including most recent: February 2023
2.	Homeownership Resale Program	CDD	currently active units:	16	Re-purchase, rehab and re-sale of affordable homeownership units to new homebuyers. Two units under agreement.	N/A	\$7,500,000		December 2011
3.	Vail Court (139 Bishop Allen)	TBD	TBD	TBD	Trust and City hosted public meeting in 2017 to hear from the community on affordable housing needs and ideas for the redevelopment of Vail Court. Additional public meetings will be scheduled but are currently on hold pending the legal action taken by former owner.	TBD	TBD	TBD	N/A
4.	2072 Mass. Ave.	Capstone Hope	TBD	TBD	Capstone/Hope purchased site in April 2018 and sought a comprehensive permit to enable the construction of a new 48 unit affordable housing building but withdrew their request at the September 2021 BZA hearing; they remain committed to creating affordable housing at this site and are assessing next steps and options.	TBD	\$5,071,000	TBD	February 2018 and June 2021
5.	52 New Street	JAS	107		JAS purchased the site in early 2020 and is permitting the project through the Affordable Housing Overlay. After JAS held 3 AHO community meetings, the proposal was reviewed by the Planning Board at the two advisory design review meetings required by the AHO, first on 10/16/21, and again on 1/4/22. A final Planning Board report has since been issued. The Trust increased its predevelopment loan for the project in January 2022. JAS is preparing for construction closing this fall.	TBD	\$18,025,390	\$168,462	October 2019, June 2021, January 2022
6.	Park View Coop (24-26 Corporal McTernan Street)	Park View Coop		12	Funds committed May 2021; closing completed October 2022; renovations underway.	\$4,986,321	\$4,199,215	\$349,935	March 2019 and May 2021
7.	Rindge Commons - Phase 1 (site of 402 Rindge Ave)	JAS	24		In June 2020, the Trust approved funding for the first phase of Rindge Commons. Project received a comprehensive permit in August 2020 and began construction in June 2022. The CAHT loan at closing was \$3,706,358 or \$155,444 per unit. This is a \$543,342 reduction from the original loan commitment. Construction is underway.	\$17,307,771	\$4,250,000	\$177,083	June 2020
8.	Broadway Park (240 Broadway)	JAS		15	In March 2021, the Trust approved funding to create 15 affordable homewnership units. JAS has had several community meetings to review its proposal with the intention of seeking a comprehensive permit for this development. JAS also will be seeking to assemble remaining funding needed for this development.	TBD	\$3,600,000	\$240,000	March 2021
9.	Jefferson Park Federal (45-60; 61-75; 77-92; 93-108; Jackson Circle; 1; 2-19, 21-42; 109- 124; 1000 Jackson Place)	СНА	278		In September 2021, the Trust approved funding to assist with the comprehensive modernization of Jefferson Park Federal. After the CHA held 3 AHO community meetings, the proposal was reviewed by the Planning Board at the two advisory design review meetings required by the AHO, first on 11/9/21, and again on 2/15/22. A final Planning Board report has since been issued. The CHA has begun preparing to close on construction, with demolition underway and full construction to begin in early 2024.	TBD	\$43,611,615	\$156,876	September 2021
10.	35 Harvey Street	HRI / Cascap	12		In November 2021, the Trust approved funding to assist with the renovation and reconfiguration of Harvey Street from SROs to studio apartments. HRI is in the closing process, with a goal of beginning construction this fall.	TBD	\$3,339,437	\$243,139	November 2021
11.	1627 Mass. Ave.	HRI	TBD	TBD	In January 2022, the Trust approved funding to assist with the purchase of this property from Lesley University to create affordable housing. The Trust approved additional predevelopment funding in August 2022. HRI acquired the site in August 2022 and held first AHO Community meeting on 9/15/22. Second community meeting held 3/15/22. First advisory design consultation with Planning Board held 7/18/23.	TBD	\$7,925,000	TBD	Janaury 2022 and August 2022
12.	116 Norfolk Street	СНА	62		In August 2022, the Trust approved funding to assist in the renovation and expansion of an existing 38-unit SRO to create 62 studio apartments for individuals moving beyond homelessess. CHA completed AHO advisory design review in late 2022 and closed on funding in December 2022; construction is underway.	TBD	\$10,161,150	\$163,890	August 2022
13.	35 Cherry Street	TBD	TBD	TBD	In March 2022, the City Council approved the disposition of this property to the Trust to intilative the creation of affordable homeownership housing. Transfer from MIT complete. RFP was issued on 7/13/23 with a deadline to respond of 9/14/23; one proposal was received; RFP Committee developer designation recommendation will be reviewed at October Trust meeting.	TBD	TBD	TBD	March 2022
14.	49 Sixth Street	РОАН	46		In October 2022, the Trust approved funding to assist in the conversion of a portion of the Sacred Heart church property to affordable housing. POAH has completed the AHO process. POAH is assembling remaining financing with a goal of beginning construction in 2024.	TBD	\$7,750,000	\$168,478	October 2022
15.	37 Brookline Street	JAS	TBD	TBD	JAS acquired the site in July 2023 and expects to begin a community design review process before the end of the year.	TBD	\$2,014,000	TBD	March 2023
16.	650 Concord Ave	Neville Communitie s Inc (NCI)	71		In May 2023, the Trust approved funding to assist with capital repairs at Neville Place, the affordable assisted living portion of its campus. NCI is preparing to begin closing process.	\$2,445,000	\$2,445,000	\$34,437	May 2023
17.	New Property Acquisition	HRI	TBD	TBD	Property acquisition prep is underway	TBD	TBD	TBD	August 2023
		Total Units	653	1			<u>l</u>	1	

Cambridge Affordable Housing Trust

Status of Affordable Housing Overlay (AHO) Developments

AHO Development	Developer	AHO Status & Activity	Rental	Ownership	Development Status
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1.	52 New Street	Just-A-Start Corporation	AHO Community meetings held on 2/25/21,3/25/21, and 4/15/21. Planning Board design consultation held on 10/26/21 and 1/4/22. Design consultation completed January 2022; Final Planning Board report issued 1/20/22 and was transmitted to the Trust in its 1/27/22 briefing materials. Preparing for construction closing.	107	Design Consultation Complete; see above
2.	Jefferson Park Federal (45-60; 61-75; 77-92; 93- 108; Jackson Circle; 1; 2-19, 21-42; 109-124; 1000 Jackson Place)	Cambridge Housing Authority	AHO Community meetings held on 3/2/21, 4/1/21, and 10/19/21. Planning Board design consulation held 11/9/21 and 2/15/22. Final Planning Board report issued 3/9/22 transmitted to the Trust in its 3/24/22 briefing materials. Preparing for construction closing.	278	Design Consultation Complete; see above
3.	Walden Square II (102 Sherman Street)	WinnDevelopment Companies	AHO Community meetings held on 3/23/21, 4/13/21 and 5/27/21. Submission for first Planning Board advisory design consultation was withdrawn by developer on 11/16/21. Design revised based on community comments. Community meetings held 2/23/22, 8/29/23 (rescheduled from 8/1/23) and 9/14/23. Winn is now preparing a revised submission for Planning Board advisory review, to be scheduled.	95	Original submission withdrawn; Community Process complete; preparing to begin Design Consultation process.
4.	49 6th Street	POAH & Urban Spaces	AHO Community meetings held on 7/27/21 and 11/3/21. First Planning Board advisory design consultation meeting held 4/5/22. Second design consultation meeting was held on 6/28/22; Planning Board report issued 7/14/22 and transmitted to the Trust on 8/4/2022. Assembling remaining funding needed to begin construction.	46	Design Consultation Complete; see above
5.	116 Norfolk Street	Cambridge Housing Authority	First AHO community meeting held 2/10/22. Second community meeting held 4/26/22. First Planning Board advisory design consultation meeting was held on 7/5/22. Second advisory design consultation held 9/13/22. Planning Board report issued on 10/28/22 and transmitted to the Trust on 11/17/2022. Closed 12/2022; under construction.	6	Design Consultation Complete; see above
6.	1627 Mass. Ave.	Homeowner's Rehab Inc	First AHO community meeting held 9/15/22. Second community held 3/15/23. First advisory design consultation with Planning Board held 7/18/23.	29	Design Consultation meetings underway.
7.	87-101 Blanchard Road	B'nai Brith Housing	First AHO community meeting held 10/4/23. Second AHO community meeting scheduled for November 10, 2023	TBD	AHO Community Meetings to begin

Status of Active Inclusionary Housing Developments

	Approved Active Projects	Developer	Status	Rental Units	Ownership Units	Applicable zoning
1.	50 Cambridgepark Drive	Hanover	Covenant recorded 8/6/19. Building Permit issued 12-5-19. Construction complete. Finishing tenant selection.	55		Revised ordinance at 20% sf requirement
2.	95-99 Elmwood	95-99 Realty	Covenant recorded. Building Permit issued 7-2-20. Lottery application period closed 9/18. Applications under review. Lotteries held October 2023.		4	Ordinance prior to revision
3.	Cambridge Crossing, 151 North First Street	DivcoWest	Covenant recorded; Building Permit issued 8-24-20 . Construction complete. Finishing tenant selection.	54		Ordinance prior to revision
4.	55 Wheeler Street	Toll Brothers	Covenant recorded 3/12/21. Building Permit issued 3/16/21. Under Construction. First phase complete. Preparing for tenant selection.	99		Revised ordinance at 20% sf requirement
5.	40 Thorndike Street, Court House	Leggat/McCall	Covenant recorded. Building Permit issued. Under construction	48		All units are affordable
6.	605 Concord Ave.	Abodez Acorn	Covenant recorded; Building Permit issued 12/9/21. Under Construction.	7		Revised ordinance at 15% sf requirement
7.	3-5 Linnaean	Willow Land Corp.	Covenant recorded; Building Permit issued.	1		Zoning for basement housing overlay
8.	1043-1059 Cambridge St.	418 Real Estate	Covenant recorded. Building permit issued 7/11/22. Under construction. Completion expected Fall 2023.		3	Revised ordinance at 20% sf requirement

 Under Development:
 264
 7

 Completed Units:
 1015
 211

 All Units:
 1279
 218

 1497

	Active Pipeline Projects	Developer	Status		Rental Units	Ownership Units	Applicable zoning
1.	121 Broadway	Boston Properties	Finalizing Covenant for recording		~102: 81 (inclusionary), 21 (middle income)		MXD zoning - 20% Inclusionary + 5% Middle-Income
2.	8 Winter Street	nter Street 8 Winter St LLC, DND Homes Inclusionary submission under review		3		Revised ordinance at 20% sf requirement	
Subsidy	amount needed to create Affordable Dwellin	er square foot					



IRAM FAROOQAssistant City Manager for Community Development

SANDRA CLARKE
Deputy Director
Chief of Administration

KHALIL MOGASSABI Deputy Director Chief of Planning

CITY OF CAMBRIDGE

Community Development Department

MEMORANDUM

TO: Affordable Housing Trust

FROM: Christopher Cotter, Housing Director

Anna Dolmatch, Senior Manager for Homeownership

DATE: October 26, 2023

RE: 125 Harvard Street/Print Shop Condominium Building Envelope

We are requesting approval of up to \$3,000,000 for rehabilitation and preservation of the Print Shop Condominium. Located at 125 Harvard Street, the Print Shop is a 24-unit all-affordable condominium developed by CASCAP and completed in 2008. The building has had continuous issues with water penetration from the roof and exterior siding. This situation has been challenging for owners and has led to higher turnover and some challenges reselling homes. The scope of work needed to address these issues is not feasible for owners to fund, and is beyond what existing City-funded housing rehab programs can support. After years of exploring other options, we are requesting Trust funding to fully address these issues to preserve this building as affordable homeownership for current owners and future buyers.

Background

The Print Shop is the largest Trust-funded all-affordable condo development, and the second-largest all-affordable ownership building in Cambridge. Subsidy funding sources included the Affordable Housing Trust; City HOME funding; state sources including AHT, HSF, and CATNHP; and grant funding for green features through the state's now-ended GAHI program.

Since completion in 2008, the building has experienced escalating issues with water penetration through the roof, siding, and the flashing on windows and Juliet balconies. The association spent more than \$30,000 on a report by Building Envelope Technologies in 2019 to determine the source of the issues.

There are a range of likely causes, including the design of the roof, which includes solar panels that no longer function and HVAC compressors; damage to the roof during the heavy snow in 2015; faulty flashing around some windows and balconies; the waterproof sheathing that was used; and possible errors during construction.

The association has paid for small-scale repairs to stop immediate leaking on one side of the building. This project involved caulking at the site of the siding leak; this stopped the leak but did not address any damage that may have

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occurred to the sheathing underneath. There is also ongoing damage to fourth floor units and common areas from water penetration from the roof.

We have received communication from some unit owners with concerns about the overall quality of the building and the inability of owners to address large-scale repairs. Some owners continue to express the belief that the building was improperly designed and constructed. While our findings do not clearly indicate that issues are directly caused by poor quality construction or design, we are continually dealing with the impacts of the building issues and resident concerns. The number of problems for a new construction building of this age is atypical.

We have seen the highest rate of turnover of any ownership development at this building. Currently, JAS holds five units, with another two owners who have notified us that they would like to sell. The units being held can be sold to new buyers when ready, but we have concerns about bringing in any new buyers before these issues are resolved.

Building Renovation Plan

To address the known water penetration issues and create a more sustainable all-affordable condominium building, we are requesting funding sufficient for a comprehensive rehab of the building envelope. This includes:

- Demolition of existing metal panel siding
- Removal and replacement of all flashing around windows and balconies
- New siding
- Replacement of roof, including removal and reinstallation of all rooftop HVAC equipment

The estimated maximum project costs are \$3,000,000. This includes hard costs with contingency, as well as soft costs including design and engineering, permits, and project management fees. This estimate is based on recent bids for new construction and costs of building envelope work on other buildings.

The Trust originally committed \$3,080,000 and the City contributed \$834,000 in HOME funding to develop the project, for a total of approximately \$164,000 per unit. This project would require an additional estimated \$125,000 per unit.

The anticipated costs are more than what the existing Home Improvement Program (HIP) can provide. Due to the terms of the affordable housing restriction, owners have little access to home equity loans and are not likely to have sufficient assets to cover the estimated costs of this repair. Print Shop owners currently pay some of the highest condo fees in the portfolio. Condo fees were recently increased by 22% due to increased insurance premiums from other building issues, resulting in costs of almost \$100 more per-month for larger

units. The condo association has been addressing immediate issues with small, targeted repairs, but is not able to address the problems holistically. Funding this project through assessments or loans would be infeasible for many households.

There are likely many causes for the ongoing issues in this building, including the design, materials, possible construction errors, and maintenance problems. Overall, the building has significant, chronic issues that we would not expect to see in a new construction building that is only 15 years old. To fund the estimated project costs, owners would have had to have contributed an additional \$700 per month each to the reserve fund since the building was occupied.

As we have discussed with the Trust, as the affordable homeownership stock ages, there will be cases where additional subsidy may be necessary to address major rehab needs and to prevent units from becoming unaffordable or unsaleable. We should note that this is not just an issue for all-affordable buildings; there is a mixed-income building where condo fees have doubled to more than \$600 for the affordable units to fund ongoing building envelope work, causing some owners to struggle to maintain their housing.

We are recommending that the Trust take the unusual step of funding the project to ensure that it proceeds and creates a sustainable building. Many affordable rental buildings also require recapitalization after a period of time. While the deterioration of this building is abnormal, we do know that there are other all-affordable condo buildings that may need funding to address major capital needs in the future. We anticipate that there will be additional requests for Trust funding from these associations in the future.

Should the Trust fund this project, we recommend requiring a project manager experienced with all-affordable condo associations. We have discussed this project and approach with Just A Start and they are willing to take on this role. They would provide oversight of the Trust funds and work with the property manager and condo association as the work is planned and undertaken.

We recommend that the Trust approve up to \$3,000,000 for exterior renovation work for the Print Shop Condominium, with \$820,000 approved for initial closing, and \$2,180,000 conditionally approved, with the following conditions:

- CDD staff approval of budgets;
- 2. CDD staff approval of construction plans and specifications;
- 3. CDD staff approval of bidding process and contractor selection;
- 4. Loan advances shall be made only for approved project costs in accordance with the Loan Agreement to be entered into at closing;
- 5. The loan will be made to the Print Shop Condominium Trust, or other entity approved by CDD staff. No funding shall be given to individual unit owners or for any work not in the approved scope;

- 6. The Print Shop Condominium Trust will work with a project manager selected by CDD staff to oversee use of the Trust's funds;
- 7. The Print Shop Condominium Trust agrees to provide copies of condo budget, reserve account balances, and documentation of capital work to CDD, and annually thereafter;
- 8. The Print Shop Condominium Trust shall have a professional, third-party Capital Needs Assessment (CNA) completed and provide a copy to CDD;
- 9. Contributions to the Print Shop Condominium capital reserve fund to be increased a minimum of 3% annually, with increases documented to CDD, and be sufficient to address projects outlines in the CNA;
- 10. Any residual cash flow beyond payment of operating costs and standard reserve contributions shall be used to increase the capital reserve fund;
- 11. Standard Trust terms and conditions including but not limited to:
 - a. Loan will have an interest rate of 0% and a term of 50 years;
 - b. Principal shall not be due and payable until the end of the term, and may be forgiven.



CITY OF CAMBRIDGE

Community Development Department

IRAM FAROOQ Assistant City Manager for Community Development

SANDRA CLARKE

Deputy Director Chief of Administration

MEMORANDUM

To: Cambridge Affordable Housing Trust

From: Chris Cotter, Housing Director

Cassie Arnaud, Senior Manager for Housing Development

Date: October 26, 2023

Re: 35 Cherry Street – Developer Designation

As you may recall, the City recently issued a Request for Proposals (RFP) to identify and select an affordable housing developer for 35 Cherry Street, a site which had been donated by MIT to the City for affordable housing following a community process. The City received one response to the 35 Cherry Street RFP from Just A Start, a local non-profit affordable housing developer.

The 35 Cherry Street RFP Review Committee, composed of representatives from the Trust and CDD staff (Susan Schlesinger, Peter Daly, Bill Tibbs, Melissa Peters, Chris Cotter, Anna Dolmatch and Cassie Arnaud) has reviewed RFP response received from Just A Start.

Unlike other RFPs which seek detailed site and design proposals, the goal of the Cherry Street RFP was to identify a capable development team who, once designated, would then work with the City and community on moving the project forward.

The Cherry Street RFP committee agreed that Just A Start meets the qualifications outlined in the RFP and scored highly on other enumerated criteria and should be designated developer, given their track record of developing affordable homeownership housing in Cambridge following robust and inclusive community processes. While Just A Start provided some initial potential development schemes for the site in their proposal, if designated, they will work with input from City staff and the community on site planning and building design, guided by the affordable housing goals and design principles that were developed during the community process (see attached memo from City Manager to Council).

Conclusion and Recommendation:

The RFP Committee determined that Just A Start has the experience and capacity to develop high-qualify affordable homeownership housing at the 35 Cherry

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Voice: 617 349-4600 Fax: 617 349-4669 TTY: 617 349-4621 www.cambridgema.gov Street site and recommends that the Trust approve the designation of Just A Start as developer of 35 Cherry Street.

Vote: To designate Just A Start Corporation as the developer of 35 Cherry Street, subject to the requirements outlined City's RFP and their response.



City of Cambridge Executive Department

March 7, 2022

To the Honorable, the City Council:

I am writing to ask the City Council to approve the disposition of property located at 35 Cherry Street (the "Property") to the Affordable Housing Trust to facilitate the development of affordable housing. As set out in the Memo provided herewith from Iram Farooq, Assistant City Manager for Community Development, the Massachusetts Institute of Technology ("MIT") committed to convey the Property to the City in connection with a zoning petition. The conveyance was to be done subject to a community process to be conducted by the City to determine the best use of the Property. I support that request and recommend that the Council vote to approve the disposition of the Property to the Affordable Housing Trust.

By way of background, in 2013, MIT filed a zoning petition seeking amended zoning for the PUD-5 Zoning District, and in connection with that petition, MIT committed to convey the Property to the City for a use that directly benefits residents in The Port neighborhood and surrounding communities, after completion of a public process to determine that use. CDD has now completed that public process and the result was a consensus that the Property be used for new affordable housing building(s) that fit the scale of the neighboring homes. To accomplish this, CDD recommends that the Property be transferred to the Affordable Housing Trust. This transfer would not be subject to the City's disposition ordinance. I support this request and recommend that the Council vote to authorize me to transfer the Property to the Affordable Housing Trust upon receipt of the deed conveying the property from MIT to the City.

Very truly yours,

Louis A. DePasquale City Manager

Louis De Paquale





CITY OF CAMBRIDGE

Community Development Department

IRAM FAROOQ stant City Manager for

Assistant City Manager for Community Development

SANDRA CLARKE
Deputy Director

Deputy Director Chief of Administration

KHALIL MOGASSABI Deputy Director Chief Planner To: Louis A. DePasquale, City Manager

From: Iram Farooq, Assistant City Manager for Community Development

Date: March 1, 2022

Re: 35 Cherry Street

In November 2020, the City Council issued a policy order requesting that the Community Development Department (CDD) start a public process to plan the future use of 35 Cherry Street for affordable housing. The following memo summarizes the community engagement process, recommendations on the type and scale of affordable housing, and next steps.

Public process

Starting in June 2021, the City's Community Development Department (CDD) hosted a series of public meetings and focus groups to understand the community's vision and priorities for the development of affordable housing at 35 Cherry Street (the "Property").

CDD held two community meetings and six focus groups. The community meetings were open to the public, and the focus groups were held with Spanish-speaking, Haitian, and American-born Black Cambridge residents. The public engagement process was organized into two rounds.

During the first round of public engagement, CDD presented background on the Property and introduced different affordable housing options. The participants discussed levels of affordability, tenure, massing, amenities, and communities to serve (senior housing, LGBTQ+ friendly housing, etc.). CDD staff presented applicable financial and operating considerations to allow participants to make informed decisions about their affordable housing priorities. During the second round of public engagement, CDD presented what they heard from the preceding public engagement events. CDD confirmed and refined what the consensus was on shared priorities for the development of affordable housing at the Property.

What we heard

The community engagement process aimed to establish shared agreement between community members. Most of the project goals and design principles garnered broad consensus; however, there were some varied preferences heard among the community. There was strong consensus that any new building(s) at 35 Cherry Street fit the scale and size of neighboring homes, which are primarily three- to four-stories tall. While the community agreed on the scale of the project, there were differing preferences on

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housing tenure. There was a slight preference expressed in the focus groups for affordable rental units, while attendees at the public meetings overwhelmingly preferred affordable homeownership. The meeting notes from each public engagement activity are available at cambridgema.gov/cherrystreet.

Recommendation

Given the size of the lot, an affordable rental development would need to be significantly larger than desired by the community to be feasible. Given the strong consensus for the new affordable housing building(s) to fit the scale of the neighboring homes, and mixed preference for either homeownership or rental, CDD has concluded that affordable homeownership at 35 Cherry Street would better meet the articulated community goals for this project. The City recognizes the ongoing need for affordable rental housing, however, and is consistently working to identify opportunities for the development of new affordable rental housing across the City.

Through the conversations with the community about the Property about its development for use as affordable housing, CDD identified the following shared project goals and design principles to guide the size, scale, and quality of the development of the Property in a way that best supports the community.

Affordable Housing Goals:

- Use 100% of units on-site for affordable housing.
- On-site housing units should provide affordable homeownership opportunities.
- Include maximum number of family-sized (3-4 bedroom) units as financially viable.
- Provide high quality private open space for children to play and residents to gather and build community.
- Prioritize current Cambridge residents when identifying residents for the new affordable units to the extent allowable under fair housing law.
- Provide access to on-site parking based on anticipated demand.

Design Principles and Guidelines:

I. Neighborhood Context

Size and scale of new building(s) should fit within the existing neighborhood context. For example:

- Limit the building to four stories; consider a step-back or gabled top floor
- Articulate top floors articulated with dormers, terraces, sloped roofs, etc.
- Use colors and materials that complement the surroundings
- Include multiple entrances and architectural detail to activate the public realm

II. Site Amenities and Environmental Comfort

- Maximize the amount of street trees along both Cherry St and School St
- Provide amenities, such as stoops, porches, seating, etc.
- Provide small, landscaped areas and open space that can serve as gathering spaces for residents
- Treat driveways as paved courtyards
- Consider balconies and/or upper-level decks
- Visually screen parking to limit visibility from the public way. Avoid street facing garage entries.

III. Building Amenities

- Provide in-unit laundry equipment
- Provide large storage spaces
- Provide large windows for interior daylighting

IV. Prioritize Sustainability & Resilience

- Design for energy efficiency and natural ventilation
- Design for flood protection
- Minimize the urban heat island effect with high albedo roofs or green roofs, and canopy trees
- Consider photovoltaics

Next Steps

Now that the public process is complete, the Massachusetts Institute of Technology (MIT) will convey the Property to the City pursuant to its Letter of Commitment it submitted to the City in connection with the amended zoning for the PUD-5 Zoning District. We recommend that the City transfer the Property to the Affordable Housing Trust for the development of affordable housing, and that the City works with the Affordable Housing Trust to issue a Request for Proposals (RFP) to select an affordable housing developer for the Property. The community-generated affordable housing goals and design principles, described above, will be included in the RFP.

Accordingly, for the above reasons, we request that the City Council approve the disposition of the Property to the Affordable Housing Trust to facilitate the development of affordable housing as set forth above.



City of Cambridge

Agenda Item Number 14 IN CITY COUNCIL March 7, 2022

WHEREAS: There continues to be a severe shortage of decent housing affordable to low- and

moderate-income residents in the city; and

WHEREAS: The City Council desires to increase the supply of affordable housing, now and in the

future, for low- and moderate-income Cambridge residents to reside in decent,

affordable housing; and

WHEREAS: In its Letter of Commitment dated April 8, 2013 in connection with the City Council's

adoption of amendments to Section 13.80 of the Zoning Ordinance, the Massachusetts Institute of Technology ("MIT") committed to convey property located at 35 Cherry Street, Assessor's Lot 75-118 (the "Property") to the City or third party designated by the City for uses to benefit the community as determined through a public process

conducted by the Community Development Department; and

WHEREAS: MIT has agreed to convey the Property to the City and to record a deed evidencing said

conveyance of the Property to the City shortly; and

WHEREAS: On November 9, 2020, the City Council adopted an order requesting that the City

Manager direct the Community Development Department to commence the public process with the Port neighborhood and surrounding communities to determine the future use of the Property for affordable housing, and in conjunction with the

community, determine the type of housing that would meet the most pressing needs in

the area; and

WHEREAS: The Community Development Department conducted a public process which included

two community meetings which were open to anyone, and six focus groups with Spanish-speaking, Haitian, and American-born Black Cambridge residents to discuss ideas and options for how the Property could be developed as affordable housing; and

WHEREAS:

The Community Development Department has provided a report to the City Council on this community process which includes recommendations for developing the Property as affordable housing, including:

Use of 100% of units on-site for affordable housing;

On-site housing units should provide affordable homeownership opportunities; Include maximum number of family-sized (3-4 bedroom) units as financially viable; Provide high quality private open space for children to play and residents to gather and build community;

Prioritize current Cambridge residents when identifying residents for the new affordable units to the extent allowable under fair housing law; Provide access to on-site parking based on anticipated demand; and

WHEREAS:

The City Manager has further recommended that the City Council approve the disposition of the Property to the Cambridge Affordable Housing Trust to initiate the process to develop the Property as affordable housing pursuant to the recommendations from the community process; and

WHEREAS:

Pursuant to Section 15A of Chapter 40 of the General Laws, as amended and accepted by the City Council on November 26, 1990, the City Council may, by a majority vote, transfer municipal land to another board or officer of the City for the purpose of constructing affordable housing; now therefore be it

ORDERED:

That upon receipt of the deed conveying the property from MIT to the City, the City Manager is authorized to transfer the Property to the Cambridge Affordable Housing Trust for the development of affordable homeownership housing for low- and moderate- residents as described above; and be it further

ORDERED:

That the City Manager is hereby authorized to execute and deliver to the Cambridge Affordable Housing Trust, in the name of and on behalf of the City of Cambridge in such form as the City Manager shall approve (such approval to be evidenced by such execution and delivery) such documents, instruments, agreements, deeds, licenses, warranties, indemnifications, releases or certificates, or amendments thereto, required by the Cambridge Affordable Housing Trust to develop the Property as affordable housing; and be it further

ORDERED:

That the City Manager is hereby authorized to execute, accept, and deliver such supplemental or ancillary documents as are reasonable necessary to implement the intent of this Order and to execute, accept and deliver amendments thereto.